IC 6-1.1-12

Chapter 12. Assessed Value Deductions and Deduction Procedures

IC 6-1.1-12-0.5

Basis for taxation after deduction

Sec. 0.5. For each year that a deduction from the assessed value of tangible property is allowed, the assessed value remaining after the deduction is the basis for taxation of the property.

As added by Acts 1979, P.L.52, SEC.1.

IC 6-1.1-12-0.7

Mortgage deduction; filing; appointees to act for elderly, blind, or disabled persons

Sec. 0.7. Any individual who is sixty-five (65) years of age, blind, or disabled (within the meaning of section 11 of this chapter) may appoint an individual eighteen (18) years of age or older to act on his behalf for purposes of filing property tax deduction statements for any deductions provided by this chapter. If a statement is filed by an appointee, the appointee's name, address, and telephone number must be included in the statement.

As added by Acts 1981, P.L.25, SEC.2.

IC 6-1.1-12-1

Mortgage or contract deductions; eligibility; amount deducted

Sec. 1. (a) Each year a person who is a resident of this state may receive a deduction from the assessed value of:

(1) mortgaged real property, an installment loan financed mobile home that is not assessed as real property, or an installment loan financed manufactured home that is not assessed as real property that he owns; or

(2) real property, a mobile home that is not assessed as real property, or a manufactured home that is not assessed as real property that he is buying under a contract, with the contract or a memorandum of the contract recorded in the county recorder's office, which provides that he is to pay the property taxes on the real property, mobile home, or manufactured home.

(b) Except as provided in section 40.5 of this chapter, the total amount of the deduction which the person may receive under this section for a particular year is:

(1) the balance of the mortgage or contract indebtedness on the assessment date of that year;

(2) one-half (1/2) of the assessed value of the real property, mobile home, or manufactured home; or

(3) three thousand dollars ($3,000);

whichever is least.

(c) A person who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract which provides that the contract buyer is to pay the property taxes on the real property,

mobile home, or manufactured home may not claim the deduction provided under this section with respect to that real property, mobile home, or manufactured home.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1980, P.L.39, SEC.1; Acts 1981, P.L.69, SEC.1; P.L.6-1997, SEC.41; P.L.291-2001, SEC.129.

IC 6-1.1-12-2
Mortgage deductions; statement; verification

Sec. 2. (a) Except as provided in section 17.8 of this chapter, a person who desires to claim the deduction provided by section 1 of this chapter must file a statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home not assessed as real property, or manufactured home not assessed as real property is located. With respect to real property, the statement must be filed during the twelve (12) months before May 11 of each year for which the person wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 2 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. In addition to the statement required by this subsection, a contract buyer who desires to claim the deduction must submit a copy of the recorded contract or recorded memorandum of the contract, which must contain a legal description sufficient to meet the requirements of IC 6-1.1-5, with the first statement that the buyer files under this section with respect to a particular parcel of real property. Upon receipt of the statement and the recorded contract or recorded memorandum of the contract, the county auditor shall assign a separate description and identification number to the parcel of real property being sold under the contract.

(b) The statement referred to in subsection (a) must be verified under penalties for perjury, and the statement must contain the following information:

(1) The balance of the person's mortgage or contract indebtedness on the assessment date of the year for which the deduction is claimed.
(2) The assessed value of the real property, mobile home, or manufactured home.
(3) The full name and complete residence address of the person and of the mortgagee or contract seller.
(4) The name and residence of any assignee or bona fide owner or holder of the mortgage or contract, if known, and if not known, the person shall state that fact.
(5) The record number and page where the mortgage, contract, or memorandum of the contract is recorded.
(6) A brief description of the real property, mobile home, or manufactured home which is encumbered by the mortgage or

sold under the contract.

(7) If the person is not the sole legal or equitable owner of the real property, mobile home, or manufactured home, the exact share of the person's interest in it.

(8) The name of any other county in which the person has applied for a deduction under this section and the amount of deduction claimed in that application.

(c) The authority for signing a deduction application filed under this section may not be delegated by the real property, mobile home, or manufactured home owner or contract buyer to any person except upon an executed power of attorney. The power of attorney may be contained in the recorded mortgage, contract, or memorandum of the contract, or in a separate instrument.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1979, P.L.56, SEC.10; Acts 1980, P.L.39, SEC.2; Acts 1981, P.L.69, SEC.2; Acts 1982, P.L.44, SEC.1; P.L.55-1988, SEC.1; P.L.3-1989, SEC.32; P.L.291-2001, SEC.130; P.L.90-2002, SEC.106; P.L.177-2002, SEC.1.

IC 6-1.1-12-3

Mortgage or contract deductions; members of armed forces

Sec. 3. An individual who is a resident of this state on the assessment date of any year may claim the deduction provided by section 1 of this chapter for that year in the manner prescribed in section 4 of this chapter if during the filing period prescribed in section 2 of this chapter he was:

(1) a member of the United States armed forces; and

(2) away from the county of his residence as a result of military service.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1980, P.L.39, SEC.3.

IC 6-1.1-12-4

Mortgage or contract deductions; members of armed forces; filing claims; procedure

Sec. 4. (a) An individual who satisfies the requirements of section 3 of this chapter may file a claim for a deduction, or deductions, provided by section 1 of this chapter during the twelve (12) months before May 11 of the year following the year in which he is discharged from military service. The individual shall file the claim, on the forms prescribed for claiming a deduction under section 2 of this chapter, with the auditor of the county in which the real property is located. The claim shall specify the particular year, or years, for which the deduction is claimed. The individual shall attach to the claim an affidavit which states the facts concerning the individual's absence as a member of the United States armed forces.

(b) The county property tax assessment board of appeals shall examine the individual's claim and shall determine the amount of deduction, or deductions, he is entitled to and the year, or years, for which deductions are due. Based on the board's determination, the

county auditor shall calculate the excess taxes paid by the individual and shall refund the excess to the individual from funds not otherwise appropriated. The county auditor shall issue, and the county treasurer shall pay, a warrant for the amount, if any, to which the individual is entitled.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1980, P.L.39, SEC.4; P.L.55-1988, SEC.2; P.L.6-1997, SEC.43.

IC 6-1.1-12-5
Mortgage or contract deductions; members of armed forces; amount of deduction without claim
Sec. 5. A county auditor shall determine the amount of the deduction provided by section 1 of this chapter that an individual is entitled to and shall make an allowance for the deduction without a claim being filed if:
(1) the county auditor determines that the individual satisfies the requirements of section 3 of this chapter; and
(2) the individual is a resident of, and the real property is located in, the county that the auditor serves.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1980, P.L.39, SEC.5.

IC 6-1.1-12-6
Mortgage or contract deductions; transmission of application to second county
Sec. 6. (a) The auditor of a county (referred to in this section as the "first county") with whom a deduction application is filed under section 2 of this chapter shall immediately prepare and transmit a copy of the application to the auditor of any other county (referred to in this section as the "second county") if:
(1) the residence of the applicant is located in the second county; or
(2) the applicant has applied for a deduction under section 2 of this chapter in the second county.
(b) The county property tax assessment board of appeals of the second county shall note on the copy of the application either:
(1) the amount of the deduction provided under section 1 of this chapter that has been granted in the second county; or
(2) that no deduction application has been filed under section 2 of this chapter in the second county.
The board shall then return the copy to the auditor of the first county.
(c) The county property tax assessment board of appeals of the first county shall then take appropriate action on the application. The board may not grant a deduction provided under section 1 of this chapter in an amount which will exceed the difference between the amount granted in any other county and the maximum amount permitted the applicant under section 1 of this chapter.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1980, P.L.39, SEC.6; P.L.6-1997, SEC.44.

IC 6-1.1-12-7

Mortgage or contract deductions; granting

Sec. 7. Each year, the county auditor shall ascertain if more than one (1) application has been filed by the same person. The county auditor shall take appropriate action to grant the deductions provided under section 1 of this chapter in amounts that do not exceed the maximum allowed each person under section 1 of this chapter.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1980, P.L.39, SEC.7; P.L.6-1997, SEC.45.

IC 6-1.1-12-8 Repealed

(*Repealed by P.L.98-2000, SEC.30.)*

IC 6-1.1-12-9

Real property or mobile or manufactured home; persons over 65; surviving spouse

Sec. 9. (a) An individual may obtain a deduction from the assessed value of the individual's real property, or mobile home or manufactured home which is not assessed as real property, if:

(1) the individual is at least sixty-five (65) years of age on or before December 31 of the calendar year preceding the year in which the deduction is claimed;

(2) the combined adjusted gross income (as defined in Section 62 of the Internal Revenue Code) of:

(A) the individual and the individual's spouse; or

(B) the individual and all other individuals with whom:

(i) the individual shares ownership; or

(ii) the individual is purchasing the property under a contract;

as joint tenants or tenants in common;

for the calendar year preceding the year in which the deduction is claimed did not exceed twenty-five thousand dollars ($25,000);

(3) the individual has owned the real property, mobile home, or manufactured home for at least one (1) year before claiming the deduction; or the individual has been buying the real property, mobile home, or manufactured home under a contract that provides that the individual is to pay the property taxes on the real property, mobile home, or manufactured home for at least one (1) year before claiming the deduction, and the contract or a memorandum of the contract is recorded in the county recorder's office;

(4) the individual and any individuals covered by subdivision (2)(B) reside on the real property, mobile home, or manufactured home;

(5) the assessed value of the real property, mobile home, or manufactured home does not exceed one hundred forty-four thousand dollars ($144,000); and

(6) the individual receives no other property tax deduction for the year in which the deduction is claimed, except the

deductions provided by sections 1, 37, and 38 of this chapter.

(b) Except as provided in subsection (h), in the case of real property, an individual's deduction under this section equals the lesser of:

(1) one-half (1/2) of the assessed value of the real property; or

(2) twelve thousand four hundred eighty dollars ($12,480).

(c) Except as provided in subsection (h) and section 40.5 of this chapter, in the case of a mobile home that is not assessed as real property or a manufactured home which is not assessed as real property, an individual's deduction under this section equals the lesser of:

(1) one-half (1/2) of the assessed value of the mobile home or manufactured home; or

(2) twelve thousand four hundred eighty dollars ($12,480).

(d) An individual may not be denied the deduction provided under this section because the individual is absent from the real property, mobile home, or manufactured home while in a nursing home or hospital.

(e) For purposes of this section, if real property, a mobile home, or a manufactured home is owned by:

(1) tenants by the entirety;

(2) joint tenants; or

(3) tenants in common;

only one (1) deduction may be allowed. However, the age requirement is satisfied if any one (1) of the tenants is at least sixty-five (65) years of age.

(f) A surviving spouse is entitled to the deduction provided by this section if:

(1) the surviving spouse is at least sixty (60) years of age on or before December 31 of the calendar year preceding the year in which the deduction is claimed;

(2) the surviving spouse's deceased husband or wife was at least sixty-five (65) years of age at the time of a death;

(3) the surviving spouse has not remarried; and

(4) the surviving spouse satisfies the requirements prescribed in subsection (a)(2) through (a)(6).

(g) An individual who has sold real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property may not claim the deduction provided under this section against that real property.

(h) In the case of tenants covered by subsection (a)(2)(B), if all of the tenants are not at least sixty-five (65) years of age, the deduction allowed under this section shall be reduced by an amount equal to the deduction multiplied by a fraction. The numerator of the fraction is the number of tenants who are not at least sixty-five (65) years of age, and the denominator is the total number of tenants.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1978, P.L.33, SEC.1; Acts 1979, P.L.54, SEC.1; Acts 1980, P.L.39, SEC.9; Acts 1981, P.L.25, SEC.3; Acts 1982, P.L.45, SEC.1; P.L.24-1986, SEC.14; P.L.60-1986, SEC.1; P.L.332-1989(ss), SEC.6;

P.L.41-1992, SEC.1; P.L.48-1996, SEC.1; P.L.6-1997, SEC.46; P.L.155-1999, SEC.1; P.L.291-2001, SEC.131; P.L.272-2003, SEC.1; P.L.20-2004, SEC.1.

IC 6-1.1-12-9.1
Repealed

(*Repealed by Acts 1980, P.L.39, SEC.11.)*

IC 6-1.1-12-10
Repealed

(*Repealed by Acts 1980, P.L.40, SEC.2.)*

IC 6-1.1-12-10.1
Persons over 65 or surviving spouse; filing claim

Sec. 10.1. (a) Except as provided in section 17.8 of this chapter, an individual who desires to claim the deduction provided by section 9 of this chapter must file a sworn statement, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home, or manufactured home is located. With respect to real property, the statement must be filed during the twelve (12) months before May 11 of each year for which the individual wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed between January 15 and March 31, inclusive of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) The statement referred to in subsection (a) shall be in affidavit form or require verification under penalties of perjury. The statement must be filed in duplicate if the applicant owns, or is buying under a contract, real property, a mobile home, or a manufactured home subject to assessment in more than one (1) county or in more than one (1) taxing district in the same county. The statement shall contain:

(1) the source and exact amount of gross income received by the individual and his spouse during the preceding calendar year;
(2) the description and assessed value of the real property, mobile home, or manufactured home;
(3) the individual's full name and his complete residence address;
(4) the record number and page where the contract or memorandum of the contract is recorded if the individual is buying the real property, mobile home, or manufactured home on contract; and
(5) any additional information which the department of local government finance may require.

(c) In order to substantiate his deduction statement, the applicant shall submit for inspection by the county auditor a copy of his and a copy of his spouse's income tax returns for the preceding calendar

year. If either was not required to file an income tax return, the applicant shall subscribe to that fact in the deduction statement.
As added by Acts 1980, P.L.40, SEC.1. Amended by Acts 1982, P.L.44, SEC.2; Acts 1982, P.L.45, SEC.2; P.L.55-1988, SEC.3; P.L.291-2001, SEC.132; P.L.90-2002, SEC.107.

IC 6-1.1-12-11

Blind or disabled persons; prerequisites for deduction

Sec. 11. (a) Except as provided in section 40.5 of this chapter, an individual may have the sum of twelve thousand four hundred eighty dollars ($12,480) deducted from the assessed value of real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the individual owns, or that the individual is buying under a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home, if the contract or a memorandum of the contract is recorded in the county recorder's office, and if:

(1) the individual is blind or the individual is a disabled person;
(2) the real property, mobile home, or manufactured home is principally used and occupied by the individual as the individual's residence; and
(3) the individual's taxable gross income for the calendar year preceding the year in which the deduction is claimed did not exceed seventeen thousand dollars ($17,000).

(b) For purposes of this section, taxable gross income does not include income which is not taxed under the federal income tax laws.

(c) For purposes of this section, "blind" has the same meaning as the definition contained in IC 12-7-2-21(1).

(d) For purposes of this section, "disabled person" means a person unable to engage in any substantial gainful activity by reason of a medically determinable physical or mental impairment which:

(1) can be expected to result in death; or
(2) has lasted or can be expected to last for a continuous period of not less than twelve (12) months.

(e) Disabled persons filing claims under this section shall submit proof of disability in such form and manner as the department shall by rule prescribe. Proof that a claimant is eligible to receive disability benefits under the federal Social Security Act (42 U.S.C. 301 et seq.) shall constitute proof of disability for purposes of this section.

(f) A disabled person not covered under the federal Social Security Act shall be examined by a physician and the individual's status as a disabled person determined by using the same standards as used by the Social Security Administration. The costs of this examination shall be borne by the claimant.

(g) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction

provided under this section against that real property, mobile home, or manufactured home.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1979, P.L.55, SEC.2; Acts 1981, P.L.25, SEC.4; Acts 1982, P.L.45, SEC.3; P.L.332-1989(ss), SEC.7; P.L.49-1990, SEC.1; P.L.2-1992, SEC.57; P.L.48-1996, SEC.2; P.L.6-1997, SEC.47; P.L.291-2001, SEC.133; P.L.20-2004, SEC.2.

IC 6-1.1-12-12
Blind persons; filing claim; proof of blindness; contents of application

Sec. 12. (a) Except as provided in section 17.8 of this chapter, a person who desires to claim the deduction provided in section 11 of this chapter must file an application, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home not assessed as real property, or manufactured home not assessed as real property is located. With respect to real property, the application must be filed during the twelve (12) months before May 11 of each year for which the individual wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the application must be filed during the twelve (12) months before March 2 of each year for which the individual wishes to obtain the deduction. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) Proof of blindness may be supported by:

(1) the records of a county office of family and children, the division of family and children, or the division of disability, aging, and rehabilitative services; or

(2) the written statement of a physician who is licensed by this state and skilled in the diseases of the eye or of a licensed optometrist.

(c) The application required by this section must contain the record number and page where the contract or memorandum of the contract is recorded if the individual is buying the real property, mobile home, or manufactured home on a contract that provides that he is to pay property taxes on the real property, mobile home, or manufactured home.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1979, P.L.56, SEC.12; Acts 1982, P.L.44, SEC.3; Acts 1982, P.L.45, SEC.4; P.L.41-1987, SEC.4; P.L.55-1988, SEC.4; P.L.2-1992, SEC.58; P.L.4-1993, SEC.9; P.L.5-1993, SEC.21; P.L.291-2001, SEC.134; P.L.90-2002, SEC.108; P.L.177-2002, SEC.2.

IC 6-1.1-12-13
Partially disabled veteran; prerequisite for deduction

Sec. 13. (a) Except as provided in section 40.5 of this chapter, an individual may have twenty-four thousand nine hundred sixty dollars ($24,960) deducted from the assessed value of the taxable tangible property that the individual owns, or real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property that the individual is buying under a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home, if the contract or a memorandum of the contract is recorded in the county recorder's office and if:

(1) the individual served in the military or naval forces of the United States during any of its wars;

(2) the individual received an honorable discharge;

(3) the individual is disabled with a service connected disability of ten percent (10%) or more; and

(4) the individual's disability is evidenced by:

(A) a pension certificate, an award of compensation, or a disability compensation check issued by the United States Department of Veterans Affairs; or

(B) a certificate of eligibility issued to the individual by the Indiana department of veterans' affairs after the Indiana department of veterans' affairs has determined that the individual's disability qualifies the individual to receive a deduction under this section.

(b) The surviving spouse of an individual may receive the deduction provided by this section if the individual would qualify for the deduction if the individual were alive.

(c) One who receives the deduction provided by this section may not receive the deduction provided by section 16 of this chapter. However, the individual may receive any other property tax deduction which the individual is entitled to by law.

(d) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section against that real property, mobile home, or manufactured home.

(Formerly: Acts 1975, P.L.47, SEC.1; Acts 1975, P.L.21, SEC.5.) As amended by Acts 1982, P.L.45, SEC.5; P.L.68-1983, SEC.1; P.L.60-1985, SEC.1; P.L.1-1990, SEC.68; P.L.6-1997, SEC.48; P.L.123-1999, SEC.1; P.L.291-2001, SEC.135; P.L.20-2004, SEC.3.

IC 6-1.1-12-14

Disabled veteran; prerequisites for deduction

Sec. 14. (a) Except as provided in subsection (c) and except as provided in section 40.5 of this chapter, an individual may have the sum of twelve thousand four hundred eighty dollars ($12,480) deducted from the assessed value of the tangible property that the individual owns (or the real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the individual is buying under a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home if the contract or a memorandum of the contract is recorded in the county recorder's office) if:

(1) the individual served in the military or naval forces of the United States for at least ninety (90) days;

(2) the individual received an honorable discharge;

(3) the individual either:

(A) is totally disabled; or

(B) is at least sixty-two (62) years old and has a disability of at least ten percent (10%); and

(4) the individual's disability is evidenced by:

(A) a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs; or

(B) a certificate of eligibility issued to the individual by the Indiana department of veterans' affairs after the Indiana department of veterans' affairs has determined that the individual's disability qualifies the individual to receive a deduction under this section.

(b) Except as provided in subsection (c), the surviving spouse of an individual may receive the deduction provided by this section if the individual would qualify for the deduction if the individual were alive.

(c) No one is entitled to the deduction provided by this section if the assessed value of the individual's tangible property, as shown by the tax duplicate, exceeds one hundred thirteen thousand dollars ($113,000).

(d) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section against that real property, mobile home, or manufactured home.

(Formerly: Acts 1975, P.L.47, SEC.1; Acts 1975, P.L.21, SEC.6.) As amended by Acts 1982, P.L.45, SEC.6; P.L.68-1983, SEC.2; P.L.60-1985, SEC.2; P.L.332-1989(ss), SEC.8; P.L.1-1990, SEC.69; P.L.48-1996, SEC.3; P.L.6-1997, SEC.49; P.L.123-1999, SEC.3; P.L.291-2001, SEC.136; P.L.272-2003, SEC.2; P.L.20-2004, SEC.4.

IC 6-1.1-12-15

Disabled veteran; filing claim

Sec. 15. (a) Except as provided in section 17.8 of this chapter, an individual who desires to claim the deduction provided by section 13 or section 14 of this chapter must file a statement with the auditor of the county in which the individual resides. With respect to real property, the statement must be filed during the twelve (12) months before May 11 of each year for which the individual wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 2 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement shall contain a sworn declaration that the individual is entitled to the deduction.

(b) In addition to the statement, the individual shall submit to the county auditor for the auditor's inspection:

(1) a pension certificate, an award of compensation, or a disability compensation check issued by the United States Department of Veterans Affairs if the individual claims the deduction provided by section 13 of this chapter;

(2) a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs if the individual claims the deduction provided by section 14 of this chapter; or

(3) the appropriate certificate of eligibility issued to the individual by the Indiana department of veterans' affairs if the individual claims the deduction provided by section 13 or 14 of this chapter.

(c) If the individual claiming the deduction is under guardianship, the guardian shall file the statement required by this section.

(d) If the individual claiming a deduction under section 13 or 14 of this chapter is buying real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property under a contract that provides that the individual is to pay property taxes for the real estate, mobile home, or manufactured home, the statement required by this section must contain the record number and page where the contract or memorandum of the contract is recorded.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1979, P.L.56, SEC.13; Acts 1982, P.L.44, SEC.4; Acts 1982, P.L.45, SEC.7; P.L.55-1988, SEC.5; P.L.1-1990, SEC.70; P.L.123-1999, SEC.5; P.L.291-2001, SEC.137; P.L.177-2002, SEC.3.

IC 6-1.1-12-16

Surviving spouse of veteran; prerequisites for deduction

Sec. 16. (a) Except as provided in section 40.5 of this chapter, a surviving spouse may have the sum of eighteen thousand seven hundred twenty dollars ($18,720) deducted from the assessed value of his or her tangible property, or real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the surviving spouse is buying under a contract that provides that he is to pay property taxes on the real property, mobile home, or manufactured home, if the contract or a memorandum of the contract is recorded in the county recorder's office, and if:

(1) the deceased spouse served in the military or naval forces of the United States before November 12, 1918; and

(2) the deceased spouse received an honorable discharge.

(b) A surviving spouse who receives the deduction provided by this section may not receive the deduction provided by section 13 of this chapter. However, he or she may receive any other deduction which he or she is entitled to by law.

(c) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section against that real property, mobile home, or manufactured home.

(Formerly: Acts 1975, P.L.47, SEC.1; Acts 1975, P.L.21, SEC.7.) As amended by Acts 1978, P.L.33, SEC.2; Acts 1982, P.L.45, SEC.8; P.L.6-1997, SEC.50; P.L.291-2001, SEC.138; P.L.20-2004, SEC.5.

IC 6-1.1-12-17

Surviving spouse of veteran; filing claim

Sec. 17. Except as provided in section 17.8 of this chapter, a surviving spouse who desires to claim the deduction provided by section 16 of this chapter must file a statement with the auditor of the county in which the surviving spouse resides. With respect to real property, the statement must be filed during the twelve (12) months before May 11 of each year for which the surviving spouse wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 2 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement shall contain:

(1) a sworn statement that the surviving spouse is entitled to the deduction; and

(2) the record number and page where the contract or memorandum of the contract is recorded, if the individual is buying the real property on a contract that provides that the individual is to pay property taxes on the real property.

In addition to the statement, the surviving spouse shall submit to the county auditor for the auditor's inspection a letter or certificate from the United States Department of Veterans Affairs establishing the service of the deceased spouse in the military or naval forces of the United States before November 12, 1918.

(Formerly: Acts 1975, P.L.47, SEC.1; Acts 1975, P.L.21, SEC.8.) As amended by Acts 1979, P.L.56, SEC.14; Acts 1982, P.L.44, SEC.5; Acts 1982, P.L.45, SEC.9; P.L.55-1988, SEC.6; P.L.1-1990, SEC.71; P.L.177-2002, SEC.4.

IC 6-1.1-12-17.4

World War I veterans; prerequisites for deduction

Sec. 17.4. (a) Except as provided in section 40.5 of this chapter, a World War I veteran who is a resident of Indiana is entitled to have the sum of eighteen thousand seven hundred twenty dollars ($18,720) deducted from the assessed valuation of the real property (including a mobile home that is assessed as real property), mobile home that is not assessed as real property, or manufactured home that is not assessed as real property the veteran owns or is buying under a contract that requires the veteran to pay property taxes on the real property, if the contract or a memorandum of the contract is recorded in the county recorder's office, if:

(1) the real property, mobile home, or manufactured home is the veteran's principal residence;

(2) the assessed valuation of the real property, mobile home, or manufactured home does not exceed one hundred sixty-three thousand dollars ($163,000); and

(3) the veteran owns the real property, mobile home, or manufactured home for at least one (1) year before claiming the deduction.

(b) An individual may not be denied the deduction provided by this section because the individual is absent from the individual's principal residence while in a nursing home or hospital.

(c) For purposes of this section, if real property, a mobile home, or a manufactured home is owned by a husband and wife as tenants by the entirety, only one (1) deduction may be allowed under this section. However, the deduction provided in this section applies if either spouse satisfies the requirements prescribed in subsection (a).

(d) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section with respect to that real property, mobile home, or manufactured home.

(Formerly: Acts 1975, P.L.52, SEC.1.) As amended by Acts 1978, P.L.33, SEC.3; Acts 1981, P.L.25, SEC.5; Acts 1982, P.L.45, SEC.10; P.L.332-1989(ss), SEC.9; P.L.48-1996, SEC.4; P.L.6-1997, SEC.51; P.L.291-2001, SEC.139; P.L.272-2003, SEC.3; P.L.20-2004, SEC.6.

IC 6-1.1-12-17.5

Veteran's mortgage deduction; filing claim

Sec. 17.5. (a) Except as provided in section 17.8 of this chapter, a veteran who desires to claim the deduction provided in section 17.4 of this chapter must file a sworn statement, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home, or manufactured home is assessed. With respect to real property, the veteran must file the statement during the twelve (12) months before May 11 of each year for which the veteran wishes to obtain the deduction. With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 2 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) The statement required under this section shall be in affidavit form or require verification under penalties of perjury. The statement shall be filed in duplicate if the veteran has, or is buying under a contract, real property in more than one (1) county or in more than one (1) taxing district in the same county. The statement shall contain:

(1) a description and the assessed value of the real property, mobile home, or manufactured home;
(2) the veteran's full name and complete residence address;
(3) the record number and page where the contract or memorandum of the contract is recorded, if the individual is buying the real property, mobile home, or manufactured home on a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home; and
(4) any additional information which the department of local government finance may require.

(Formerly: Acts 1975, P.L.52, SEC.2.) As amended by Acts 1978, P.L.33, SEC.4; Acts 1979, P.L.56, SEC.15; Acts 1982, P.L.44, SEC.6; Acts 1982, P.L.45, SEC.11; P.L.69-1983, SEC.1; P.L.55-1988, SEC.7; P.L.291-2001, SEC.140; P.L.90-2002, SEC.109; P.L.177-2002, SEC.5.

IC 6-1.1-12-17.8
Deductions; subsequent applications; notice of ineligibility

Sec. 17.8. (a) An individual who receives a deduction provided under section 1, 9, 11, 13, 14, 16, or 17.4 of this chapter in a particular year and who remains eligible for the deduction in the following year is not required to file a statement to apply for the deduction in the following year.

(b) An individual who receives a deduction provided under section 1, 9, 11, 13, 14, 16, or 17.4 of this chapter in a particular year and who becomes ineligible for the deduction in the following year shall notify the auditor of the county in which the real property, mobile home, or manufactured home for which he claims the deduction is located of his ineligibility before May 10 of the year in which he becomes ineligible.

(c) The auditor of each county shall, in a particular year, apply a deduction provided under section 1, 9, 11, 13, 14, 16, or 17.4 of this chapter to each individual who received the deduction in the preceding year unless the auditor determines that the individual is no longer eligible for the deduction.

(d) An individual who receives a deduction provided under section 1, 9, 11, 13, 14, 16, or 17.4 of this chapter for property that is jointly held with another owner in a particular year and remains eligible for the deduction in the following year is not required to file a statement to reapply for the deduction following the removal of the joint owner if:

(1) the individual is the sole owner of the property following the

death of the individual's spouse;
(2) the individual is the sole owner of the property following the death of a joint owner who was not the individual's spouse; or
(3) the individual is awarded sole ownership of the property in a divorce decree.

As added by Acts 1982, P.L.44, SEC.7. Amended by P.L.125-1999, SEC.1; P.L.291-2001, SEC.141.

IC 6-1.1-12-18

Rehabilitated residential property; prerequisites for deduction

Sec. 18. (a) If the assessed value of residential real property described in subsection (d) is increased because it has been rehabilitated, the owner may have deducted from the assessed value of the property an amount not to exceed the lesser of:
(1) the total increase in assessed value resulting from the rehabilitation; or
(2) eighteen thousand seven hundred twenty dollars ($18,720) per rehabilitated dwelling unit.

The owner is entitled to this deduction annually for a five (5) year period.

(b) For purposes of this section, the term "rehabilitation" means significant repairs, replacements, or improvements to an existing structure which are intended to increase the livability, utility, safety, or value of the property under rules adopted by the department of local government finance.

(c) For the purposes of this section, the term "owner" or "property owner" includes any person who has the legal obligation, or has otherwise assumed the obligation, to pay the real property taxes on the rehabilitated property.

(d) The deduction provided by this section applies only for the rehabilitation of residential real property which is located within this state and which is described in one (1) of the following classifications:
(1) a single family dwelling if before rehabilitation the assessed value (excluding any exemptions or deductions) of the improvements does not exceed thirty-seven thousand four hundred forty dollars ($37,440);
(2) a two (2) family dwelling if before rehabilitation the assessed value (excluding exemptions or deductions) of the improvements does not exceed forty-nine thousand nine hundred twenty dollars ($49,920); and
(3) a dwelling with more than two (2) family units if before rehabilitation the assessed value (excluding any exemptions or deductions) of the improvements does not exceed eighteen thousand seven hundred twenty dollars ($18,720) per dwelling unit.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.2, SEC.21; Acts 1977, P.L.67, SEC.1; P.L.6-1997, SEC.52; P.L.129-2001, SEC.2; P.L.90-2002, SEC.110; P.L.20-2004, SEC.7.

IC 6-1.1-12-19

Rehabilitated residential property; duration of deduction

Sec. 19. The deduction from assessed value provided by section 18 of this chapter is first available in the year in which the increase in assessed value resulting from the rehabilitation occurs and shall continue for the following four (4) years. In the sixth (6th) year, the county auditor shall add the amount of the deduction to the assessed value of the real property. A general reassessment of real property which occurs within the five (5) year period of the deduction does not affect the amount of the deduction.

(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-12-20

Rehabilitated residential property; application for deduction

Sec. 20. (a) A property owner who desires to obtain the deduction provided by section 18 of this chapter must file a certified deduction application, on forms prescribed by the department of local government finance, with the auditor of the county in which the rehabilitated property is located. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. Except as provided in subsection (b), the application must be filed before May 10 of the year in which the addition to assessed value is made.

(b) If notice of the addition to assessed value for any year is not given to the property owner before April 10 of that year, the application required by this section may be filed not later than thirty (30) days after the date such a notice is mailed to the property owner at the address shown on the records of the township assessor.

(c) The application required by this section shall contain the following information:

(1) a description of the property for which a deduction is claimed in sufficient detail to afford identification;

(2) statements of the ownership of the property;

(3) the assessed value of the improvements on the property before rehabilitation;

(4) the number of dwelling units on the property;

(5) the number of dwelling units rehabilitated;

(6) the increase in assessed value resulting from the rehabilitation; and

(7) the amount of deduction claimed.

(d) A deduction application filed under this section is applicable for the year in which the increase in assessed value occurs and for the immediately following four (4) years without any additional application being filed.

(e) On verification of an application by the assessor of the township in which the property is located, the county auditor shall make the deduction.

(Formerly: Acts 1975, P.L.47, SEC.1; Acts 1975, P.L.53, SEC.1.) As amended by Acts 1977, P.L.2, SEC.22; Acts 1979, P.L.56, SEC.16; P.L.90-2002, SEC.111.

IC 6-1.1-12-21

Rehabilitated real property; reassessment; notice of deductions required

Sec. 21. When real property is reassessed because it has been rehabilitated, the assessing official who, or the county property tax assessment board of appeals which, makes the reassessment shall give the owner notice of the property tax deductions provided by sections 18 and 22 of this chapter. The official or county property tax assessment board of appeals shall attach the notice to the reassessment notice required by IC 6-1.1-4-22.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.67, SEC.2; P.L.6-1997, SEC.53.

IC 6-1.1-12-22

Rehabilitated property; amount of deduction; limitations

Sec. 22. (a) If the assessed value of property is increased because it has been rehabilitated and the owner has paid at least ten thousand dollars ($10,000) for the rehabilitation, the owner is entitled to have deducted from the assessed value of the property an amount equal to fifty percent (50%) of the increase in assessed value resulting from the rehabilitation. The owner is entitled to this deduction annually for a five (5) year period. However, the maximum deduction which a property owner may receive under this section for a particular year is:

(1) one hundred twenty-four thousand eight hundred dollars ($124,800) for a single family dwelling unit; or

(2) three hundred thousand dollars ($300,000) for any other type of property.

(b) For purposes of this section, the term "property" means a building or structure which was erected at least fifty (50) years before the date of application for the deduction provided by this section. The term "property" does not include land.

(c) For purposes of this section, the term "rehabilitation" means significant repairs, replacements, or improvements to an existing structure that are intended to increase the livability, utility, safety, or value of the property under rules adopted by the department of local government finance.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.54-1997, SEC.1; P.L.6-1997, SEC.54; P.L.2-1998, SEC.18; P.L.129-2001, SEC.3; P.L.90-2002, SEC.112; P.L.20-2004, SEC.8.

IC 6-1.1-12-23

Rehabilitated property; duration of deduction

Sec. 23. The deduction from assessed value provided by section 22 of this chapter is first available after the first assessment date following the rehabilitation and shall continue for the taxes first due and payable in the following five (5) years. In the sixth (6th) year, the county auditor shall add the amount of the deduction to the assessed value of the property. Any general reassessment of real property which occurs within the five (5) year period of the

deduction does not affect the amount of the deduction.
(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.129-2001, SEC.4.

IC 6-1.1-12-24
Rehabilitated property; certified deduction application

Sec. 24. (a) A property owner who desires to obtain the deduction provided by section 22 of this chapter must file a certified deduction application, on forms prescribed by the department of local government finance, with the auditor of the county in which the property is located. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. Except as provided in subsection (b), the application must be filed before May 10 of the year in which the addition to assessed valuation is made.

(b) If notice of the addition to assessed valuation for any year is not given to the property owner before April 10 of that year, the application required by this section may be filed not later than thirty (30) days after the date such a notice is mailed to the property owner at the address shown on the records of the township assessor.

(c) The application required by this section shall contain the following information:

(1) the name of the property owner;
(2) a description of the property for which a deduction is claimed in sufficient detail to afford identification;
(3) the assessed value of the improvements on the property before rehabilitation;
(4) the increase in the assessed value of improvements resulting from the rehabilitation; and
(5) the amount of deduction claimed.

(d) A deduction application filed under this section is applicable for the year in which the addition to assessed value is made and in the immediate following four (4) years without any additional application being filed.

(e) On verification of the correctness of an application by the assessor of the township in which the property is located, the county auditor shall make the deduction.
(Formerly: Acts 1975, P.L.47, SEC.1; Acts 1975, P.L.53, SEC.2.) As amended by Acts 1979, P.L.56, SEC.17; P.L.90-2002, SEC.113.

IC 6-1.1-12-25
Rehabilitated property; electing either IC 6-1.1-12-18 or IC 6-1.1-12-22 deduction

Sec. 25. For repairs or improvements made to a particular building or structure, a person may receive either the deduction provided by section 18 of this chapter or the deduction provided by section 22 of this chapter. He may not receive deductions under both sections for the repairs or improvements.
(Formerly: Acts 1975, P.L.47, SEC.1.)

IC 6-1.1-12-25.5

Rehabilitated property; deductions; denial; appeal

Sec. 25.5. If a deduction applied for under section 20 or 24 of this chapter is not granted in full, the county auditor shall notify the applicant by mail. A taxpayer may appeal a ruling that wholly or partially denies a deduction claimed under section 20 or 24 of this chapter in the same manner that appeals may be taken under IC 6-1.1-15.

As added by P.L.70-1983, SEC.1.

IC 6-1.1-12-26

Solar energy heating or cooling system

Sec. 26. (a) The owner of real property, or a mobile home which is not assessed as real property, which is equipped with a solar energy heating or cooling system may have deducted annually from the assessed value of the real property or mobile home an amount which is equal to the remainder of (1) the assessed value of the real property or mobile home with the solar energy heating or cooling system included, minus (2) the assessed value of the real property or mobile home without the system.

(b) The department of local government finance shall promulgate rules and regulations for determining the value of a solar energy heating or cooling system. The rules and regulations must provide the method of determining the value on the basis of:

(1) the cost of the system components that are unique to the system and that are needed to collect, store, or distribute solar energy; and

(2) any other factor that is a just and proper indicator of value.

(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by Acts 1977, P.L.68, SEC.1; Acts 1979, P.L.56, SEC.1; P.L.90-2002, SEC.114.

IC 6-1.1-12-27

Repealed

(*Repealed by Acts 1980, P.L.40, SEC.4.)*

IC 6-1.1-12-27.1

Solar energy heating or cooling system; filing claim

Sec. 27.1. Except as provided in section 36 of this chapter, a person who desires to claim the deduction provided by section 26 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property or mobile home is subject to assessment. With respect to real property, the person must file the statement during the twelve (12) months before May 11 of each year for which the person desires to obtain the deduction. With respect to a mobile home which is not assessed as real property, the person must file the statement between January 15 and March 31, inclusive, of each year for which the person desires to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for

filing. On verification of the statement by the assessor of the township in which the real property or mobile home is subject to assessment, the county auditor shall allow the deduction.
As added by Acts 1980, P.L.40, SEC.3. Amended by P.L.43-1984, SEC.1; P.L.55-1988, SEC.8; P.L.90-2002, SEC.115.

IC 6-1.1-12-28
Repealed
(*Repealed by Acts 1979, P.L.52, SEC.5.)*

IC 6-1.1-12-28.5
Resource recovery system; prerequisites for deduction; definitions
Sec. 28.5. (a) For purposes of this section:
"Hazardous waste" has the meaning set forth in IC 13-11-2-99(a) and includes a waste determined to be a hazardous waste under IC 13-22-2-3(b).
"Resource recovery system" means tangible property directly used to dispose of solid waste or hazardous waste by converting it into energy or other useful products.
"Solid waste" has the meaning set forth in IC 13-11-2-205(a) but does not include dead animals or any animal solid or semisolid wastes.
(b) Except as provided in this section, the owner of a resource recovery system is entitled to an annual deduction in an amount equal to ninety-five percent (95%) of the assessed value of the system if:
(1) the system was certified by the department of environmental management for the 1993 assessment year or a prior assessment year; and
(2) the owner filed a timely application for the deduction for the 1993 assessment year.
For purposes of this section, a system includes tangible property that replaced tangible property in the system after the certification by the department of environmental management.
(c) The owner of a resource recovery system that is directly used to dispose of hazardous waste is not entitled to the deduction provided by this section for a particular assessment year if during that assessment year the owner:
(1) is convicted of any violation under IC 13-7-13-3 (repealed), IC 13-7-13-4 (repealed), or IC 13-30-6; or
(2) is subject to an order or a consent decree with respect to property located in Indiana based upon a violation of a federal or state rule, regulation, or statute governing the treatment, storage, or disposal of hazardous wastes that had a major or moderate potential for harm.
(d) The certification of a resource recovery system by the department of environmental management for the 1993 assessment year or a prior assessment year is valid through the 1997 assessment year so long as the property is used as a resource recovery system. If the property is no longer used for the purpose for which the property

was used when the property was certified, the owner of the property shall notify the county auditor. However, the deduction from the assessed value of the system is:

(1) ninety-five percent (95%) for the 1994 assessment year;

(2) ninety percent (90%) for the 1995 assessment year;

(3) seventy-five percent (75%) for the 1996 assessment year; and

(4) sixty percent (60%) for the 1997 assessment year.

Notwithstanding this section as it existed before 1995, for the 1994 assessment year, the portion of any tangible property comprising a resource recovery system that was assessed and first deducted for the 1994 assessment year may not be deducted for property taxes first due and payable in 1995 or later.

(e) In order to qualify for a deduction under this section, the person who desires to claim the deduction must file an application with the county auditor after February 28 and before May 16 of the current assessment year. An application must be filed in each year for which the person desires to obtain the deduction. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. If the application is not filed before the applicable deadline under this subsection, the deduction is waived. The application must be filed on a form prescribed by the department of local government finance. The application for a resource recovery system deduction must include:

(1) a certification by the department of environmental management for the 1993 assessment year or a prior assessment year as described in subsection (d); or

(2) the certification by the department of environmental management for the 1993 assessment year as described in subsection (g).

Beginning with the 1995 assessment year a person must also file an itemized list of all property on which a deduction is claimed. The list must include the date of purchase of the property and the cost to acquire the property.

(f) Before July 1, 1995, the department of environmental management shall transfer all the applications, records, or other material the department has with respect to resource recovery system deductions under this section for the 1993 and 1994 assessment years. The township assessor shall verify each deduction application filed under this section and the county auditor shall determine the deduction. The county auditor shall send to the department of local government finance a copy of each deduction application. The county auditor shall notify the county property tax assessment board of appeals of all deductions allowed under this section. A denial of a deduction claimed under this subsection may be appealed as provided in IC 6-1.1-15. The appeal is limited to a review of a determination made by the township assessor or the county auditor.

(g) Notwithstanding subsection (d), the certification for the 1993 assessment year of a resource recovery system in regard to which a political subdivision is liable for the payment of the property taxes

remains valid at the ninety-five percent (95%) deduction level allowed before 1994 as long as the political subdivision remains liable for the payment of the property taxes on the system.
As added by Acts 1979, P.L.52, SEC.2. Amended by P.L.61-1985, SEC.1; P.L.19-1986, SEC.6; P.L.25-1995, SEC.15; P.L.1-1996, SEC.38; P.L.6-1997, SEC.55; P.L.198-2001, SEC.34.

IC 6-1.1-12-28.6
Repealed
(*Repealed by P.L.69-1983, SEC.12.)*

IC 6-1.1-12-29
Wind power device; definition
Sec. 29. (a) For purposes of this section, "wind power device" means a device, such as a windmill or a wind turbine, that is designed to utilize the kinetic energy of moving air to provide mechanical energy or to produce electricity.

(b) The owner of real property, or a mobile home that is not assessed as real property, that is equipped with a wind power device is entitled to an annual property tax deduction. The amount of the deduction equals the remainder of (1) the assessed value of the real property or mobile home with the wind power device included, minus (2) the assessed value of the real property or mobile home without the wind power device.
As added by Acts 1979, P.L.56, SEC.3.

IC 6-1.1-12-30
Wind power device; filing of claim
Sec. 30. Except as provided in section 36 of this chapter, a person who desires to claim the deduction provided by section 29 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property or mobile home is subject to assessment. With respect to real property, the person must file the statement between March 1 and May 10, inclusive, of each year for which the person desires to obtain the deduction. With respect to a mobile home which is not assessed as real property, the person must file the statement between January 15 and March 31, inclusive, of each year for which the person desires to obtain the deduction. On verification of the statement by the assessor of the township in which the real property or mobile home is subject to assessment, the county auditor shall allow the deduction.
As added by Acts 1979, P.L.56, SEC.4. Amended by P.L.43-1984, SEC.2; P.L.90-2002, SEC.116.

IC 6-1.1-12-31
Coal conversion system; definition; computation
Sec. 31. (a) For purposes of this section, "coal conversion system" means tangible property directly used to convert coal into a gaseous or liquid fuel or char. This definition includes coal liquification,

gasification, pyrolysis, and a fluid bed combustion system designed for pollution control.

(b) For each calendar year which begins after December 31, 1979, and before January 1, 1988, the owner of a coal conversion system which is used to process coal is entitled to a deduction from the assessed value of the system. The amount of the deduction for a particular calendar year equals the product of (1) ninety-five percent (95%) of the assessed value of the system, multiplied by (2) a fraction. The numerator of the fraction is the amount of Indiana coal converted by the system during the immediately preceding calendar year and the denominator of the fraction is the total amount of coal converted by the system during the immediately preceding calendar year.

As added by Acts 1980, P.L.41, SEC.1. Amended by Acts 1981, P.L.70, SEC.1; P.L.24-1984, SEC.4.

IC 6-1.1-12-32

Repealed

(*Repealed by P.L.69-1983, SEC.12.)*

IC 6-1.1-12-33

Hydroelectric power device

Sec. 33. (a) For purposes of this section "hydroelectric power device" means a device which is installed after December 31, 1981, and is designed to utilize the kinetic power of moving water to provide mechanical energy or to produce electricity.

(b) The owner of real property, or a mobile home that is not assessed as real property, that is equipped with a hydroelectric power device is annually entitled to a property tax deduction. The amount of the deduction equals the remainder of: (1) the assessed value of the real property or mobile home with the hydroelectric power device; minus (2) the assessed value of the real property or mobile home without the hydroelectric power device.

As added by Acts 1981, P.L.71, SEC.1.

IC 6-1.1-12-34

Geothermal energy heating or cooling device

Sec. 34. (a) For purposes of this section, "geothermal energy heating or cooling device" means a device that is installed after December 31, 1981, and is designed to utilize the natural heat from the earth to provide hot water, produce electricity, or generate heating or cooling.

(b) The owner of real property, or a mobile home that is not assessed as real property, that is equipped with a geothermal energy heating or cooling device is annually entitled to a property tax deduction. The amount of the deduction equals the remainder of: (1) the assessed value of the real property or mobile home with the geothermal heating or cooling device; minus (2) the assessed value of the real property or mobile home without the geothermal heating or cooling device.

As added by Acts 1981, P.L.71, SEC.2.

IC 6-1.1-12-34.5

Deduction; coal combustion products used

Sec. 34.5. (a) As used in this section, "coal combustion product" has the meaning set forth in IC 6-1.1-44-1.

(b) As used in this section, "qualified building" means a building designed and constructed to systematically use qualified materials throughout the building.

(c) For purposes of this section, building materials are "qualified materials" if at least sixty percent (60%) of the materials' dry weight consists of coal combustion products.

(d) The owner of a qualified building, as determined by the center for coal technology research, is entitled to a property tax deduction for not more than three (3) years. The amount of the deduction equals the product of:

(1) the assessed value of the qualified building; multiplied by

(2) five percent (5%).

As added by P.L.214-2005, SEC.11.

IC 6-1.1-12-35

Repealed

(*Repealed by P.L.198-2001, SEC.122.)*

IC 6-1.1-12-35.5

Certified statements; determinations of deductions; appeals

Sec. 35.5. (a) Except as provided in section 36 of this chapter, a person who desires to claim the deduction provided by section 31, 33, 34, or 34.5 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, and proof of certification under subsection (b) or (f) with the auditor of the county in which the property for which the deduction is claimed is subject to assessment. Except as provided in subsection (e), with respect to property that is not assessed under IC 6-1.1-7, the person must file the statement between March 1 and May 10, inclusive, of the assessment year. The person must file the statement in each year for which the person desires to obtain the deduction. With respect to a property which is assessed under IC 6-1.1-7, the person must file the statement between January 15 and March 31, inclusive, of each year for which the person desires to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the statement by the assessor of the township in which the property for which the deduction is claimed is subject to assessment, the county auditor shall allow the deduction.

(b) This subsection does not apply to an application for a deduction under section 34.5 of this chapter. The department of environmental management, upon application by a property owner, shall determine whether a system or device qualifies for a deduction provided by section 31, 33, or 34 of this chapter. If the department determines that a system or device qualifies for a deduction, it shall certify the system or device and provide proof of the certification to the property owner. The department shall prescribe the form and manner of the certification process required by this subsection.

(c) This subsection does not apply to an application for a deduction under section 34.5 of this chapter. If the department of environmental management receives an application for certification before April 10 of the assessment year, the department shall determine whether the system or device qualifies for a deduction before May 10 of the assessment year. If the department fails to make a determination under this subsection before May 10 of the assessment year, the system or device is considered certified.

(d) A denial of a deduction claimed under section 31, 33, 34, or 34.5 of this chapter may be appealed as provided in IC 6-1.1-15. The appeal is limited to a review of a determination made by the township assessor, county property tax assessment board of appeals, or department of local government finance.

(e) A person who timely files a personal property return under IC 6-1.1-3-7(a) for an assessment year and who desires to claim the deduction provided in section 31 of this chapter for property that is not assessed under IC 6-1.1-7 must file the statement described in subsection (a) between March 1 and May 15, inclusive, of that year. A person who obtains a filing extension under IC 6-1.1-3-7(b) for an assessment year must file the application between March 1 and the extended due date for that year.

(f) This subsection applies only to an application for a deduction under section 34.5 of this chapter. The center for coal technology research established by IC 4-4-30-5, upon receiving an application from the owner of a building, shall determine whether the building qualifies for a deduction under section 34.5 of this chapter. If the center determines that a building qualifies for a deduction, the center shall certify the building and provide proof of the certification to the owner of the building. The center shall prescribe the form and procedure for certification of buildings under this subsection. If the center receives an application for certification of a building under section 34.5 of this chapter before April 10 of an assessment year:

(1) the center shall determine whether the building qualifies for a deduction before May 10 of the assessment year; and

(2) if the center fails to make a determination before May 10 of the assessment year, the building is considered certified.

As added by P.L.198-2001, SEC.36. Amended by P.L.214-2005, SEC.12.

IC 6-1.1-12-36

Deductions; eligibility for following year

Sec. 36. (a) A person who receives a deduction provided under section 26, 29, 33, 34, 34.5, or 38 of this chapter for a particular year and who remains eligible for the deduction for the following year is not required to file a statement to apply for the deduction for the following year.

(b) A person who receives a deduction provided under section 26, 29, 33, 34, 34.5, or 38 of this chapter for a particular year and who becomes ineligible for the deduction for the following year shall notify the auditor of the county in which the real property or mobile home for which the person received the deduction is located of the person's ineligibility before March 31 of the year for which the person becomes ineligible.

(c) The auditor of each county shall, in a particular year, apply a deduction provided under section 26, 29, 33, 34, 34.5, or 38 of this chapter to each person who received the deduction in the preceding year unless the auditor determines that the person is no longer eligible for the deduction.

As added by P.L.43-1984, SEC.4. Amended by P.L.41-1992, SEC.2; P.L.10-1997, SEC.12; P.L.214-2005, SEC.13.

IC 6-1.1-12-37

Standard deduction for homesteads

Sec. 37. (a) Each year a person who is entitled to receive the homestead credit provided under IC 6-1.1-20.9 for property taxes payable in the following year is entitled to a standard deduction from the assessed value of the real property, mobile home not assessed as real property, or manufactured home not assessed as real property that qualifies for the homestead credit. The auditor of the county shall record and make the deduction for the person qualifying for the deduction.

(b) Except as provided in section 40.5 of this chapter, the total amount of the deduction that a person may receive under this section for a particular year is the lesser of:

(1) one-half (1/2) of the assessed value of the real property, mobile home not assessed as real property, or manufactured home not assessed as real property; or

(2) thirty-five thousand dollars ($35,000).

(c) A person who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section with respect to that real property, mobile home, or manufactured home.

As added by P.L.332-1989(ss), SEC.10. Amended by P.L.240-1991(ss2), SEC.47; P.L.6-1997, SEC.57; P.L.291-2001, SEC.142; P.L.192-2002(ss), SEC.32.

IC 6-1.1-12-38

Improvements made to comply with rules for storage of fertilizer or pesticides; prerequisites for deduction; filing certified statement and certification

Sec. 38. (a) A person is entitled to a deduction from the assessed value of the person's property in an amount equal to the difference between:

(1) the assessed value of the person's property, including the assessed value of the improvements made to comply with the fertilizer storage rules adopted by the state chemist under IC 15-3-3-12 and the pesticide storage rules adopted by the state chemist under IC 15-3-3.5-11; minus

(2) the assessed value of the person's property, excluding the assessed value of the improvements made to comply with the fertilizer storage rules adopted by the state chemist under IC 15-3-3-12 and the pesticide storage rules adopted by the state chemist under IC 15-3-3.5-11.

(b) To obtain the deduction under this section, a person must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the property is subject to assessment. In addition to the certified statement, the person must file a certification by the state chemist listing the improvements that were made to comply with the fertilizer storage rules adopted under IC 15-3-3-12 and the pesticide storage rules adopted by the state chemist under IC 15-3-3.5-11. The statement and certification must be filed before May 10 of the year preceding the year the deduction will first be applied. Upon the verification of the statement and certification by the assessor of the township in which the property is subject to assessment, the county auditor shall allow the deduction.

As added by P.L.41-1992, SEC.3. Amended by P.L.90-2002, SEC.117.

IC 6-1.1-12-39

Person not qualified for exemption purchasing exempt property under contract for sale; entitlement to deduction

Sec. 39. (a) A person who is:

(1) purchasing property under a contract that does not require the buyer to pay property taxes on the property; and

(2) required to pay property taxes under IC 6-1.1-10-41;

is eligible for a deduction granted by this chapter to the same extent as a person who is buying property under a contract that provides the contract buyer is to pay property taxes on the property.

(b) To obtain the deduction, with the application the applicant must provide:

(1) the same information concerning the contract that is required for contracts that require the buyer to pay property taxes; and

(2) information that indicates that IC 6-1.1-10-41 applies to the property.

As added by P.L.31-1994, SEC.2.

IC 6-1.1-12-40

Deductions for real property located in enterprise zones

Sec. 40. (a) This section applies only to real property that is located in an enterprise zone established in a county containing a consolidated city.

(b) The owner of real property described in subsection (a) is entitled to a deduction under this section if:

(1) an obsolescence depreciation adjustment for either functional obsolescence or economic obsolescence was allowed for the property for property taxes assessed in the year preceding the year in which the owner purchased the property;

(2) the property owner submits an application requesting the deduction to the fiscal body of the county in which the property is located; and

(3) the fiscal body of the county approves the deduction.

(c) If a county fiscal body approves a deduction under this section, it must notify the county auditor of the approval of the deduction.

(d) A deduction may be claimed under this section for not more than four (4) years. The amount of the deduction under this section equals:

(1) the amount of the obsolescence depreciation adjustment for either functional obsolescence or economic obsolescence that was allowed for the property for property taxes assessed in the year preceding the year in which the owner purchased the property; multiplied by

(2) the following percentages:

(A) One hundred percent (100%), for property taxes assessed in the year in which the owner purchased the property.

(B) Seventy-five percent (75%), for property taxes assessed in the year after the year in which the owner purchased the property.

(C) Fifty percent (50%), for property taxes assessed in the second year after the year in which the owner purchased the property.

(D) Twenty-five percent (25%), for property taxes assessed in the third year after the year in which the owner purchased the property.

As added by P.L.198-2001, SEC.37.

IC 6-1.1-12-40.5

Limits on deductions for mobile or manufactured homes

Sec. 40.5. Notwithstanding any other provision, the sum of the deductions provided under this chapter to a mobile home that is not assessed as real property or to a manufactured home that is not assessed as real property may not exceed one-half (1/2) of the assessed value of the mobile home or manufactured home.

As added by P.L.291-2001, SEC.143.

IC 6-1.1-12-41

Optional countywide property tax exemption for inventory; adoption of ordinance; expiration

Sec. 41. (a) This section does not apply to assessment years beginning after December 31, 2005.

(b) As used in this section, "assessed value of inventory" means the assessed value determined after the application of any deductions or adjustments that apply by statute or rule to the assessment of inventory, other than the deduction allowed under subsection (f).

(c) As used in this section, "county income tax council" means a council established by IC 6-3.5-6-2.

(d) As used in this section, "fiscal body" has the meaning set forth in IC 36-1-2-6.

(e) As used in this section, "inventory" has the meaning set forth in IC 6-1.1-3-11.

(f) An ordinance may be adopted in a county to provide that a deduction applies to the assessed value of inventory located in the county. The deduction is equal to one hundred percent (100%) of the assessed value of inventory located in the county for the appropriate year of assessment. An ordinance adopted under this section in a particular year applies:

(1) if adopted before March 31, 2004, to each subsequent assessment year ending before January 1, 2006; and

(2) if adopted after March 30, 2004, and before June 1, 2005, to the March 1, 2005, assessment date.

An ordinance adopted under this section may be consolidated with an ordinance adopted under IC 6-3.5-7-25 or IC 6-3.5-7-26. The consolidation of an ordinance adopted under this section with an ordinance adopted under IC 6-3.5-7-26 does not cause the ordinance adopted under IC 6-3.5-7-26 to expire after December 31, 2005.

(g) An ordinance may not be adopted under subsection (f) after May 30, 2005. However, an ordinance adopted under this section:

(1) before March 31, 2004, may be amended after March 30, 2004; and

(2) before June 1, 2005, may be amended after May 30, 2005;

to consolidate an ordinance adopted under IC 6-3.5-7-26.

(h) The entity that may adopt the ordinance permitted under subsection (f) is:

(1) the county income tax council if the county option income tax is in effect on January 1 of the year in which an ordinance under this section is adopted;

(2) the county fiscal body if the county adjusted gross income tax is in effect on January 1 of the year in which an ordinance under this section is adopted; or

(3) the county income tax council or the county fiscal body, whichever acts first, for a county not covered by subdivision (1) or (2).

To adopt an ordinance under subsection (f), a county income tax council shall use the procedures set forth in IC 6-3.5-6 concerning the imposition of the county option income tax. The entity that adopts the ordinance shall provide a certified copy of the ordinance to the department of local government finance before February 1.

(i) A taxpayer is not required to file an application to qualify for the deduction permitted under subsection (f).

(j) The department of local government finance shall incorporate the deduction established in this section in the personal property return form to be used each year for filing under IC 6-1.1-3-7 or IC 6-1.1-3-7.5 to permit the taxpayer to enter the deduction on the form. If a taxpayer fails to enter the deduction on the form, the township assessor shall:

(1) determine the amount of the deduction; and

(2) within the period established in IC 6-1.1-16-1, issue a notice of assessment to the taxpayer that reflects the application of the deduction to the inventory assessment.

(k) The deduction established in this section must be applied to any inventory assessment made by:

(1) an assessing official;

(2) a county property tax board of appeals; or

(3) the department of local government finance.

As added by P.L.192-2002(ss), SEC.33. Amended by P.L.199-2005, SEC.5.

IC 6-1.1-12-42

Statewide property tax exemption for inventory

Sec. 42. (a) As used in this section, "assessed value of inventory" means the assessed value determined after the application of any deductions or adjustments that apply by statute or rule to the assessment of inventory, other than the deduction established in subsection (c).

(b) As used in this section, "inventory" has the meaning set forth in IC 6-1.1-3-11.

(c) A taxpayer is entitled to a deduction from assessed value equal to one hundred percent (100%) of the taxpayer's assessed value of inventory beginning with assessments made in 2006 for property taxes first due and payable in 2007.

(d) A taxpayer is not required to file an application to qualify for the deduction established by this section.

(e) The department of local government finance shall incorporate the deduction established by this section in the personal property return form to be used each year for filing under IC 6-1.1-3-7 or IC 6-1.1-3-7.5 to permit the taxpayer to enter the deduction on the form. If a taxpayer fails to enter the deduction on the form, the township assessor shall:

(1) determine the amount of the deduction; and

(2) within the period established in IC 6-1.1-16-1, issue a notice of assessment to the taxpayer that reflects the application of the deduction to the inventory assessment.

(f) The deduction established by this section must be applied to any inventory assessment made by:

(1) an assessing official;

(2) a county property tax assessment board of appeals; or

(3) the department of local government finance.

As added by P.L.192-2002(ss), SEC.34.

IC 6-1.1-12-43

Information provided by closing agents to customers in residential

financing transactions; penalty; compliance

Sec. 43. (a) For purposes of this section:

(1) "benefit" refers to:

(A) a deduction under section 1, 9, 11, 13, 14, 16, 17.4, 26, 29, 31, 33, or 34 of this chapter; or

(B) the homestead credit under IC 6-1.1-20.9-2;

(2) "closing agent" means a person that closes a transaction;

(3) "customer" means an individual who obtains a loan in a transaction; and

(4) "transaction" means a single family residential:

(A) first lien purchase money mortgage transaction; or

(B) refinancing transaction.

(b) Before closing a transaction after December 31, 2004, a closing agent must provide to the customer the form referred to in subsection (c).

(c) Before June 1, 2004, the department of local government finance shall prescribe the form to be provided by closing agents to customers under subsection (b). The department shall make the form available to closing agents, county assessors, county auditors, and county treasurers in hard copy and electronic form. County assessors, county auditors, and county treasurers shall make the form available to the general public. The form must:

(1) on one (1) side:

(A) list each benefit;

(B) list the eligibility criteria for each benefit; and

(C) indicate that a new application for a deduction under section 1 of this chapter is required when residential real property is refinanced;

(2) on the other side indicate:

(A) each action by; and

(B) each type of documentation from;

the customer required to file for each benefit; and

(3) be printed in one (1) of two (2) or more colors prescribed by the department of local government finance that distinguish the form from other documents typically used in a closing referred to in subsection (b).

(d) A closing agent:

(1) may reproduce the form referred to in subsection (c);

(2) in reproducing the form, must use a print color prescribed by the department of local government finance; and

(3) is not responsible for the content of the form referred to in subsection (c) and shall be held harmless by the department of local government finance from any liability for the content of the form.

(e) A closing agent to which this section applies shall document its compliance with this section with respect to each transaction in the form of verification of compliance signed by the customer.

(f) A closing agent is subject to a civil penalty of twenty-five dollars ($25) for each instance in which the closing agent fails to comply with this section with respect to a customer. The penalty:

(1) may be enforced by the state agency that has administrative jurisdiction over the closing agent in the same manner that the agency enforces the payment of fees or other penalties payable to the agency; and

(2) shall be paid into the property tax replacement fund.

A closing agent is not liable for any other damages claimed by a customer because of the closing agent's mere failure to provide the appropriate document to the customer.

(g) The state agency that has administrative jurisdiction over a closing agent shall:

(1) examine the closing agent to determine compliance with this section; and

(2) impose and collect penalties under subsection (f).

As added by P.L.64-2004, SEC.3.